

OGC 77-3462

5-27-77

26 May 1977

OGC Has Reviewed

STATINTL

MEMORANDUM FOR: [REDACTED]

GEHA Legal Advisor

STATINTL

FROM :

:

Chief, Benefits and Services Division

VIA :

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Deputy Director of Personnel

SUBJECT :

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GEHA Employees

1. In order to maintain a staff of trained claims processors, we are considering employing persons as true employees of GEHA, Inc.; that is, they will have no status as Federal employees nor will they be paid on the GS scale or receive the same benefits. We anticipate that retirees may be interested in these positions in order to earn Social Security credits and supplement their annuities. Spouses of employees might be another source.

2. In order to take on such employees, we assume that we will have to make arrangements with the Internal Revenue Service and the local jurisdiction for making income tax withholdings as well as payment of unemployment tax. The purpose of this memorandum is to obtain your advice on how to proceed in these matters and your views regarding any legal problems this action might pose with the various jurisdictions involved.

STATINTL

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